



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-354/AJPPL-2016/37833-37

December 04, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation / Adjustment for October-December 2020 to July-September 2023 Quarters in Local O&M Components of Tariff of AJ Power (Private) Ltd. (AJPPL) [Case No. NEPRA/TRF-354/AJPPL-2016]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of AJ Power (Pvt.) Ltd. for the quarter **October-December 2020 to July-September 2023** on account of N-CPI variation in Case No. NEPRA/ TRF-354/AJPPL-2016.

2. The decision is being sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat, Islamabad

Copy to: (alongwith copy of subject Decision):

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Company Secretary, AJ Power (Pvt.) Ltd., 127-S, Quaid-e-Azam Industrial Estate, Township, Kotlakhpat, Lahore

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT FOR
OCT-DEC 2020 TO JUL-SEP 2023 QUARTERS IN LOCAL O&M COMPONENTS OF TARIFF OF AJ
POWER (PVT) LIMITED**

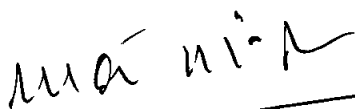
Pursuant to the decision of the Authority dated July 08, 2019 in the matter of tariff adjustment of AJ Power (Private) Limited at Commercial Operation Date (COD) notified vide S.R.O. 1157(I)/2019 on September 19, 2019. Thereafter, the Authority approved the Application/Review Motion for Revision of Upfront Tariff Determination of AJPPL filed by CPPA-G for Reduction of ROE and O&M Component and Decision of the Authority was issued on April 9, 2021 and the Authority issued its decision dated March 10, 2021 notified vide SRO No. 1041(I)/2023 on August 9, 2023 in the matter of Change of Base Year 2007-08 to 2015-16 for Consumer Price Index (CPI), the local O&M components of tariff are required to be adjusted on account of variation in N-CPI

- 2) The Authority through its decision approved Local O&M Components of tariff w.e.f. Apr-Jun 2022 to Jan-Mar 2023 quarters based on last available CPI value i.e. 269.270 of June 2020 (Base Year 2007-08) on provisional basis subject to decision of the Authority for change in CPI index and its notification in the Official Gazette.
- 3) Subsequent to the notification of the decision, AJPPL requested for revision of Local O&M components based on N-CPI values for Oct-Dec 2020 Jul-Sep 2023 quarters.
- 4) The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of the Authority in the matter.

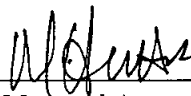
“Local O&M components have been revised on account of N-CPI variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority dated March 10, 2021. The revised tariff indicated at Annex-I shall be immediately applicable.”

- 5) The instant decision shall supersede the relevant decision of the Authority to the extent of Local O&M components dated Nov 11, 2020, Feb 03, 2021, May 17, 2021, Aug 17, 2021, Nov 04, 2021, Feb 18, 2022, May 17, 2022, Jul 27, 2022, Nov 08, 2022, Feb 14, 2023, May 19, 2023 and Aug 17, 2023.
- 6) Pursuant to the aforementioned decisions of the Authority, the adjusted/ indexed tariff is attached as **Annex-I** is to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
- 7) CPPA-G to ensure that all the payments are consistent with tariff determination.

AUTHORITY



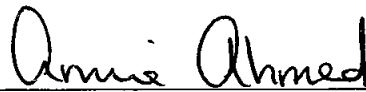
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



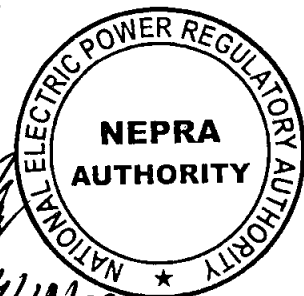
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



AJ Power Pvt Ltd
Quarterly Indexation/Adjustment in Tariff

Description	Reference	Revised Oct-Dec 2020	Revised Jan-Mar 2021	Revised Apr-Jun 2021	Revised Jul-Sep 2021	Revised 1 Oct -28 Nov 2021	Revised reference as per the Authority's decision dated Feb 18, 2022	Revised 29 Nov - 31 Dec 2021	Revised Jan-Mar 2022	Revised Apr-Jun 2022	Revised Jul-Sep 2022	Revised Oct-Dec 2022	Revised Jan-Mar 2023	Revised Apr-Jun 2023	Revised Jul-sep 2023
Rs./kWh															
Local O&M component	1.7429	1.8124	1.8869	1.9036	1.9322	1.9638	1.4815	1.6692	1.7887	1.8162	1.8684	2.1241	2.2152	2.3892	2.5778
N-CPI	131.01	136.23	141.83	143.09	145.24	147.61	131.01	147.61	158.18	160.61	165.23	187.84	195.89	211.28	227.96
Based on the data declared by AJ Power (Pvt) Ltd															

